

## Niko Provides Corporate Update

CALGARY, ALBERTA (June 1, 2015) – Niko Resources Ltd. (“Niko” or the “Company”)(TSX – “NKO”) announces that it has reached an agreement with the institutional lenders of its US\$340 million senior term loan facilities to further amend the terms of the facilities agreement.

On February 12, 2015, the Company announced an agreement to amend the terms of the facilities agreement. Under the terms of the amendment, the Company agreed to achieve certain milestones related to the Company’s strategic alternatives plan in respect of the potential sale of the Company’s interest in the D6 Block in India, which could include the sale of the Company. In late April 2015, the lenders agreed to extend a certain milestone date from April 30, 2015 to May 31, 2015 in return for the Company agreeing to offer to make a principal repayment of \$10 million on the term loan. The lenders accepted the prepayment offer and the principal repayment was made in May, reducing the outstanding principal amount on the loan to \$270 million.

The Board of Directors of Niko now believes that it requires more time to determine if the sales process will be successful or, if not, to develop an alternative plan with the assistance of its advisors and stakeholders to achieve the best results for the stakeholders of the Company. As a result, the Company and the lenders have agreed to further amend the terms of the facilities agreement, as follows:

- Extension to September 15, 2015 of the dates of the milestones that were due on May 31, 2015, June 16, 2015 and July 31, 2015;
- Restrictions until September 30, 2015 on any interest or other payments under the indenture governing the Company’s 7% senior unsecured convertible notes due December 31, 2017 (the “Notes”), or under the terms of the agreement entered into with Diamond Offshore (the “Diamond Settlement Agreement”); and
- Repayment of \$20 million of principal plus interest thereon if all lenders consent to (i) deferring until the end of September the payment of interest due at the end of June, and (ii) reducing the required minimum balance of a reserve account specified in the facilities agreement.

As a result of this second amendment, the Company will seek (i) the consent of the holders of the Notes to defer to September 30, 2015 the interest payment due on June 30, 2015 and (ii) the consent of the parties to the Diamond Settlement Agreement to defer any payments that are due and payable prior to September 30, 2015 and eliminate the required minimum balance in a reserve account specified in the Diamond Settlement Agreement (collectively, the “Consents”). There can be no assurance that the Consents will be obtained and if not obtained, the Company would either be in breach of the indenture governing the Notes or the Diamond Settlement Agreement.

The Company remains obligated to achieve the remaining milestones in the amended facilities agreement. These milestones are directly linked to the Company’s goals for its strategic alternatives plan. If the strategic alternatives plan does not result in one or more transactions, or results in one or more transactions the terms or timing of which are unacceptable to the Company or the lenders, this could have a material adverse impact on the Company. Further, the failure to effect a transaction pursuant to the strategic alternatives plan on a timely basis, as well as the results of a transaction completed pursuant to the strategic alternatives plan, could prove to be unsatisfactory for security holders, which could have a material adverse impact on the value of their interest in the Company. It is also important to note that if the strategic alternatives plan will not achieve the desired goal, the Company will seek to develop an alternative plan with the assistance of its advisors and stakeholders to enhance value. Such an alternative plan could have significant negative results on stakeholders and the value of their interests in the Company. No assurance can be made that an alternative plan if pursued can be accomplished at all or on a timely basis.

A copy of the second amendment to the facilities agreement will be filed on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). For further information on the liquidity and capital resources of the Company, please see the Company's MD&A for the three and nine-month periods ended December 31, 2014, filed on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

For further information, please contact:

Niko Resources Ltd. (403) 262-1020, Glen Valk, VP Finance & CFO, or visit the Company's website at [www.nikoresources.com](http://www.nikoresources.com)

### **Forward-Looking Information**

Certain statements in this press release constitute forward-looking information. Specifically, this press release contains forward looking information relating to the ability of the Company to obtain the Consents, the ability of the Company to successfully complete its strategic alternatives plan on a timely basis (including meeting and satisfying milestones) or, if unsuccessful, to achieve an alternative plan, the Company complying with the terms of the facilities agreement, as amended, and the ability of the Company to give effect to its business plan. Such forward-looking information is based on a number of risks, uncertainties and assumptions, which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. There can be no assurances that the Company will be able to obtain the Consents, successfully complete its strategic alternatives plan on a timely basis or at all, or develop (or much less implement) an alternative plan, or that the Company will be able to comply with the terms of the facilities agreement, as amended, or that the Company will be able to meet the goals and purposes of its business plan or meet and satisfy the milestones agreed to in the amendments to the facilities agreement. The failure to meet or satisfy any of the foregoing is likely to have a material adverse impact on the Company and the value of its outstanding securities. Undue reliance should not be placed on forward-looking information. Such forward-looking information reflects the Company's current beliefs, and assumptions and interpretation of governmental policies and is based on information currently available to the Company. These forward looking statements are based on certain key expectations and assumptions, including the state of the markets and others which are set forth in detail in the Company's annual information form for the year ended March 31, 2014. Many of these expectations and assumptions are not within the control of the Company. Further, the reader is cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. The forward-looking information is presented as of the date of this press release, and the Company assumes no obligation to update or revise such information to reflect new events or circumstances, except as required by law or expressly provided for herein. Reference is made to the Company's annual information form for the year ended March 31, 2014 for more information on the risks and uncertainties associated with the Company and its business and affairs.